

CRAVATH, SWAINE & MOORE

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

RECORDATION NO. 15087-B

Filed & Recorded

OCT 28 1985 3-0 5 PM

TELEPHONE 212 422-3000

TELEX
RCA 233663
WUD 125547
WUI 620976
TRT 177149

CABLE ADDRESSES
CRAVATH, N. Y.
RECRATH, LONDON E. C. 2
2 HONEY LANE, CHEAPSIDE
LONDON EC2V 8BT, ENGLAND
TELEPHONE: 1-606-1421
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RAPIFAX/INFOTEC:
1-606-1425

ALLEN F. MAULSBY
STEWART R. BROSS, JR.
HENRY P. RIORDAN
JOHN R. HUPPER
SAMUEL C. BUTLER
WILLIAM J. SCHRENK, JR.
BENJAMIN F. CRANE
JOHN F. HUNT
GEORGE J. GILLESPIE, III
WAYNE E. CHAPMAN
THOMAS D. BARR
MELVIN L. BEDRICK
GEORGE T. LOWY
ROBERT ROSENMAN
JAMES H. DUFFY
ALAN J. HRUSKA
JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
DAVID L. SCHWARTZ
RICHARD J. HIEGEL
CHRISTINE BESHAR
ROBERT S. RIFKIND
DAVID BOIES
DAVID O. BROWNWOOD
PAUL M. DODYK
RICHARD M. ALLEN
THOMAS R. BROME
ROBERT D. JOFFE

ROBERT F. MULLEN
ALLEN FINKELSON
RONALD S. ROLFE
JOSEPH R. SAHID
PAUL C. SAUNDERS
MARTIN L. SENZEL
DOUGLAS D. BROADWATER
ALAN J. HENSON
RICHARD L. HOFFMAN
JOSEPH A. MULLINS
MAX R. SHULMAN
STUART W. GOZ
JOHN W. WHITE
JOHN E. BEERBOWER
EVAN R. CHAMBERLAIN
PATRICIA GEOGHEGAN
D. COLLIER KIRKHAM
MICHAEL L. SCHLER
DANIEL P. CUNNINGHAM
KRIS F. HEINZELMAN
B. ROBBINS KIESSLING
ROGER D. TURNER
PHILIP A. GELSTON
RORY O. MILLSON
NEIL P. WESTREICH
FRANCIS P. BARRON
RICHARD W. CLARY
WILLIAM P. ROGERS
JAMES D. COOPER

RECORDATION NO. 15087-A

Filed & Recorded

OCT 28 1985 3-0 5 PM

No.

Date

Fee \$

ICC Washington, D. C.

6-301A022

OCT 28 1986

OCT 28 1985 3-0 5 PM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 15087-C

Filed & Recorded

OCT 28 1985 3-0 5 PM

October 27, 1986

INTERSTATE COMMERCE COMMISSION

Burlington Northern Railroad Company

Electrical Power Purchase Financing

9-3/8% Conditional Sale Indebtedness

Due December 31, 2000

RECORDATION NO. 15087

Filed & Recorded

OCT 28 1985 3-0 5 PM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 15087-B

Filed & Recorded

OCT 28 1985 3-0 5 PM

INTERSTATE COMMERCE COMMISSION
Dear Ms. McGee:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Oakway, Inc., for filing and recordation counterparts of the following documents:

1. (a) Conditional Sale Agreement dated as of October 15, 1986, between The Connecticut National Bank, as Trustee, and General Motors Corporation (Electro-Motive Division), as Builder; and

(b) Agreement and Assignment dated as of October 15, 1986, between General Motors Corporation (Electro-Motive Division), as Builder, and The Connecticut Bank and Trust Company, National Association, as Agent.

2. (a) Lease of Railroad Equipment dated as of October 15, 1986, between Oakway, Inc., as Lessee, and The Connecticut National Bank, as Trustee; and

(b) Assignment of Lease and Agreement dated as of October 15, 1986, between The Connecticut National Bank, as Trustee, and The Connecticut Bank and Trust Company, National Association, as Agent.

See next page for:

- D

- E

Craig Butcher
(Dundee)

OCT 28 2 53 PM '86
NOTED
10-28-86

-D 3. Bailment Agreement dated as of October 15, 1986, between Oakway, Inc., as Bailor, and Burlington Northern Railroad Company, as Bailee.

-E 4. Assignment of Power Purchase Agreement dated as of October 15, 1986, among Oakway, Inc., as Oakway, The Connecticut Bank and Trust Company, National Association, as Agent, and The Connecticut National Bank, as Trustee.

The names and address of the parties to the aforementioned agreements are as follows:

1. Agent:

The Connecticut Bank and Trust Company,
National Association
One Constitution Plaza
Hartford, Connecticut 06115

2. Trustee-Lessor:

The Connecticut National Bank
777 Main Street
Hartford, Connecticut 06115

3. Builder-Vendor:

General Motors Corporation
(Electro-Motive Division)
LaGrange, Illinois 60525

4. Lessee-Bailor-Oakway:

Oakway, Inc.
45 Cardinal Drive
Westfield, New Jersey 07092

5. Bailee:

Burlington Northern Railroad Company
9401 Indian Creek Parkway
Overland Park, Kansas 66210-9136

Please file and record the documents referred to in this letter and index them under the names of the Agent, the Trustee-Lessor, the Builder-Vendor, the Lessee-Bailor-Oakway and the Bailee.

The equipment covered by the aforementioned documents is listed on Exhibit A attached hereto. The equipment bears the legend "Leased to Oakway, Inc. Subject to a Security Agreement Filed with The Interstate Commerce Commission".

There is also enclosed a check for \$40 payable to the Interstate Commerce Commission, representing the fee for recording the Conditional Sale Agreement and related Agreement and Assignment (together constituting one document), the Lease of Railroad Equipment and related Assignment of Lease and Agreement (together constituting one document), the Bailment Agreement and the Assignment of Power Purchase Agreement.

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich

Noreta R. McGee, Secretary,
Interstate Commerce Commission,
Washington D.C. 20423

Encls.

APPENDIX A TO LEASE

Type	Builder	Builder's Specifi- cations	Builder's Plant	Quantity	Lessee's Road Numbers (Both Inclusive)	Estimated* Unit Base Price	Estimated* Total Base Price	Estimated Time and Place of Delivery
3,800 h.p. Model SD-60 diesel- electric locomotive	EMD	GM Loco- motive Specifica- tion 8128, Amendment 8128-3 as supplemen- ted by Final Specifica- tion Supplement dated 10/15/86	La Grange, Illinois	100	OWY 9000-9099	\$1,282,977.16	\$128,297,716	October 1986, through January 1987, at Clyde, Illinois
For deliveries on or before 12/31/86								
For deliveries after 12/31/86						\$1,170,749.14	\$117,074,914	

* Includes prepaid freight and switching charges to Clyde, Illinois, estimated at \$250 per Unit.

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

10/29/86

Laurance V. Goodrich
Cravath, Swaine & Moore
One Chase Manhattan plaza
New York, N.Y. 10005

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/28/86 at 3:05pm, and assigned recordation number(s). 15087, 15087-A, 15087-B, 15087-C, 15087-D, 15087-E

Sincerely yours,

Norita R. McGehee
Secretary

Enclosure(s)

SE-30
(7/79)

A
RECORDATION NO. 15087 *A* Filed & Recorded

OCT 28 1986 5:05 PM

INTERSTATE COMMERCE COMMISSION

[CS&M Ref. 2046-334]

AGREEMENT AND ASSIGNMENT

Dated as of October 15, 1986

BETWEEN

GENERAL MOTORS CORPORATION

(Electro-Motive Division)

AND

THE CONNECTICUT BANK AND TRUST COMPANY,
NATIONAL ASSOCIATION,

As Agent

AGREEMENT AND ASSIGNMENT dated as of October 15, 1986, between GENERAL MOTORS CORPORATION (Electro-Motive Division) ("Builder") and THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, acting as Agent under a Participation Agreement dated as of the date hereof ("Participation Agreement"), a copy of which has been delivered to the Builder, said Agent, as so acting, together with its successors and assigns, being hereinafter called "Assignee".

WHEREAS the Builder and The Connecticut National Bank, acting as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof ("Trust Agreement") with CHEMICAL BANK, a New York banking corporation ("Owner"), have entered into a Conditional Sale Agreement dated as of the date hereof ("CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builder and the purchase by the Trustee of the railroad equipment described in Annex B to the CSA ("Equipment"); and

WHEREAS the Trustee and OAKWAY, INC. ("Lessee"), have entered into a Lease dated as of the date hereof ("Lease") providing for the lease to the Lessee of the Equipment;

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT ("Assignment") WITNESSETH: that in consideration of good and valuable consideration, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. The Builder hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of the Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Trustee, subject to payment by the Assignee to the Builder of the amount required to be paid pursuant to Section 4 hereof and of the amounts due from the Trustee to the Builder under the CSA;

(b) all the right, title and interest of the Builder in and to the CSA (except the right to construct and deliver its Equipment and the right to receive the payments specified in paragraph 4.3(a) thereof and reimbursement for taxes paid or incurred by the Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to the Builder under the CSA on account of the indebtedness in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Trustee under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) of this paragraph, all the Builder's rights, titles, powers, privileges and remedies under the CSA;

without any recourse hereunder, however, against the Builder for or on account of the failure of the Trustee to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the obligations of the Builder to deliver the Equipment in accordance with the CSA or with respect to its warranties and agreements referred to in Article 14 of the CSA or relieve the Trustee from its obligations to the Builder contained in Articles 2, 3, 4, 6 and 14 of the CSA, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA, all obligations of the Builder to the Trustee with respect to the Equipment shall be and remain enforceable by the Trustee, its successors and assigns, against and only against the Builder. In furtherance of the foregoing assignment and transfer, the Builder hereby authorizes and empowers the Assignee in the Assignee's own name, or in the name of the Assignee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for the Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and compliance by the Trustee with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. The Builder agrees that it shall construct the Equipment in full accordance with the CSA and will deliver the same upon completion to the Trustee in accordance with the provisions of the CSA; and that,

notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by the Builder. The Builder further agrees that it will warrant to the Assignee and the Trustee that at the time of delivery of each unit of the Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that such unit was free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease; and the Builder further agrees that it will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by the builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Trustee thereunder. The Builder will not deliver any Equipment to the Trustee under the CSA until the CSA, the Lease, this Assignment and the Lease Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 (the Builder and its counsel being entitled to rely on advice from special counsel for the Assignee that such filing and recordation have occurred).

SECTION 3. The Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of the Equipment or to enforce any provision of the CSA, the Builder will indemnify, protect and hold harmless the Assignee from and against all expenses, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by the Trustee or the Lessee arising out of a breach by the Builder of any obligation with respect to the Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Trustee or the Lessee by the Builder. The Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action as directed by the Builder, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Trustee or the Lessee in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit,

proceeding or action, the Assignee's prompt notification to the Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving the Builder the right, at the Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

The Builder agrees, except as otherwise specifically provided in Annex A to the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of the Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the Builder of any claim actually known to the Assignee which is based upon any such alleged infringement and will give to the Builder the right, at the Builder's expense, to compromise, settle or defend against such claim. The Builder agrees that any amounts payable to it by the Trustee or the Lessee with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, shall not be secured by any lien, charge or security interest upon the Equipment or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA, shall pay to the Builder an amount equal to the portion of the Purchase Price of the Units of the Equipment as shown on the invoice therefor then being settled for which, under the terms of paragraph 4.3(b) of said Article 4, is payable in installments; provided that the conditions specified in Paragraphs 9 and 10 of the Participation Agreement have been satisfied and there shall have been delivered to the Assignee at the offices of Cravath, Swaine & Moore in New York, New York (with a copy to the Trustee), on or prior to such Closing Date, the following documents, in form and substance satisfactory to it, to Cravath, Swaine & Moore, special counsel to the Assignee, and to Morgan, Lewis & Bockius, special counsel to the Owner, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill or bills of sale from the Builder to the Trustee and the Assignee transferring to the Trustee all right, title and interest of the Builder in

and to such units, subject to the security interest in such units created by the CSA, and transferring to the Assignee such security interest, warranting to the Assignee and to the Trustee that, at the time of delivery of such units under the CSA, the Builder had legal title to such units and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA, the rights of the Lessee under the Lease and the rights of the Assignee under this Assignment, and covenanting to defend the title to such units against demands of all persons whomsoever based on claims originating prior to the delivery of such units by the Builder under the CSA;

(b) a Certificate or Certificates of Acceptance and an Inspection Record (as defined in Section 3.4 of the CSA) with respect to each unit of such Equipment as contemplated by Article 3 of the CSA and § 2.1 of the Lease;

(c) an invoice of the Builder for the units of such Equipment accompanied by or having endorsed thereon a certification by the Trustee and the Lessee as to their approval thereof;

(d) an opinion of counsel for the Builder, dated as of the Closing Date, addressed to the Assignee and the Trustee, to the effect that the aforesaid bill or bills of sale have been duly authorized, executed and delivered by the Builder and are valid and effective to vest in the Assignee the security interest of the Builder in the units of the Builder's Equipment, free from all claims, liens, security interests and other encumbrances (other than those created by the CSA, the rights of the Lessee under the Lease and the rights of the Assignee under this Assignment) arising from, through or under the Builder; and

(e) a receipt from the Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to the Builder with respect to such Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Trustee.

The obligation of the Assignee hereunder to make payment for any of the Equipment assigned hereunder is hereby expressly conditioned upon the Assignee having on deposit, pursuant to the terms of the Participation Agreement, sufficient funds available to make such payment and upon payment by the Trustee of the amount required to be paid by it pursuant to paragraph 4.3(a) of the CSA. In the event that the Assignee shall not make any such payment, the Assignee shall reassign to the Builder, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Trustee thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 15 of the CSA, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. The Builder hereby:

(a) represents and warrants to the Assignee and the Trustee that the CSA was duly authorized, executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Trustee, the CSA is, insofar as the Builder is concerned, a legal, valid and existing agreement binding upon the Builder in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time, at the request of the Assignee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do all such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of the Builder therein or in its Equipment.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all the rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of the CSA and this Assignment as shall be conferred by the laws of the several jurisdictions in which the CSA or this Assignment shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking on the units of Equipment.

SECTION 8. This Assignment may be executed in any number of counterparts, but the counterpart delivered to the Assignee shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed. This Agreement shall be effective upon delivery of fully executed counterparts hereof to Cravath, Swaine & Moore at their offices in New York, New York.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.


GENERAL MOTORS CORPORATION
(Electro-Motive Division),

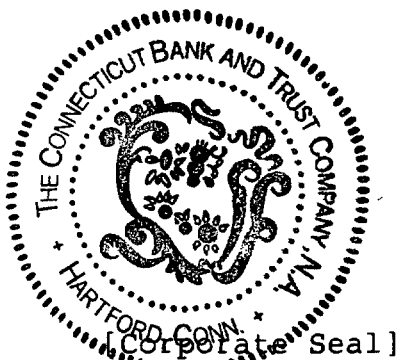
by


Vice President

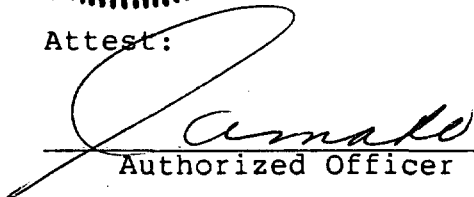
[Corporate Seal]

Attest:


Assistant Secretary



Attest:


Authorized Officer

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
as Agent,

by


Authorized Officer

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the
assignment made by, the foregoing Agreement and Assignment
is hereby acknowledged as of October 15, 1986.

THE CONNECTICUT NATIONAL BANK,
not in its individual
capacity but solely in its
capacity as Trustee,

by

Authorized Officer

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
as Agent,

by

Authorized Officer

[Corporate Seal]

Attest:

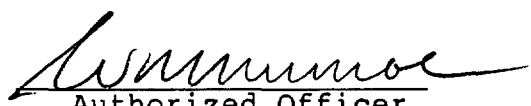
Authorized Officer

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the
assignment made by, the foregoing Agreement and Assignment
is hereby acknowledged as of October 15, 1986.

THE CONNECTICUT NATIONAL BANK,
not in its individual
capacity but solely in its
capacity as Trustee,

by



Authorized Officer

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 24th day of October 1986, before me personally appeared P. K. HOGLUND to me personally known, who being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.



Notary Public

[Notarial Seal]

My Commission expires 3-25-89

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this day of October 1986, before me personally appeared to me personally known, who being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said national association, that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of October 1986, before me personally appeared to me personally known, who being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this *24th* day of October 1986, before me personally appeared **Mason M. Lemont** to me personally known, who being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said national association, that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

Ruth A. Smith

Notary Public

[Notarial Seal]
My Commission expires

RUTH A. SMITH
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1989